

Testimony of Underwriters Laboratories Inc.
to the
House Committee on Science
Subcommittee on Environment, Technology, and Standards

Hearing On: China, Europe, and Use of Standards as Trade Barriers: How Should the United States Respond? May 11, 2005

Statement of
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Chairman Ehlers and distinguished committee members, thank you for this opportunity to appear before you, to offer Underwriters Laboratories (UL) Inc.'s insights on the impact of voluntary standards and mandatory technical regulations on global trade, and to recommend ways in which the United States government not only can enhance but also supplement private sector efforts. UL is pleased to see the increased attention being given to standards and technical regulations in trade and believes that US government support on these issues will help US industry competitiveness and therefore create jobs. The following testimony is intended to address the specific questions posed by the committee, as well as to offer targeted recommendations to improve the US position in the global market place moving forward. My testimony will further discuss the standards and conformity assessment nexus, which is as critical for products' market access (regulated) and market acceptance (voluntary) as the standards themselves.

#### **Underwriters Laboratories in Brief**

Underwriters Laboratories (UL) Inc. is an independent, not-for-profit product safety certification organization that has been testing products and writing safety standards for more than a century. It was founded in 1894 with a mission of testing for public safety, as defined by its Articles of Incorporation, and strives to ensure that public health and safety is protected through its standards development activities and product conformity assessment services. UL has developed and maintains more than 850 product-based Standards for Safety, 80 percent of which have achieved American National Standards (ANS) status. And UL is a global company, with more than 25 affiliates world wide, serving more than 71,000 manufacturers in nearly 100 countries.

#### UL in China and Europe:

UL entered the China market in 1980, when it established a cooperative relationship with the China Certification & Inspection (Group) Co., Ltd. (CCIC) to carry out on-site follow-up inspections at Chinese factories whose products had already been certified as meeting UL's rigorous safety requirements. Growing demand for product safety testing and certification services prompted UL and CCIC to negotiate a joint venture in 2001. The joint-venture testing facility located in Suzhou became fully operation in the Fall of 2003 and performs safety tests according to UL's Standards for Safety in the most popular product categories, including such small home appliances as lighting fixtures and lamps, fans, rice cookers, toasters, and electric tools. The facility's capabilities will expand over time to perform tests on just about anything exported from China.

Though in the 1920s UL had agreements with inspection companies in England and Germany, it was not until 1956 that UL began testing in earnest European-made products according to US-based standards, initiating a major new international activity. The on-site factory follow-up service inspections in Europe rapidly grew and so UL contracted with additional European-based testing and inspection authorities. In 1996 UL acquired the Danish government-owned testing and certification laboratory DEMKO A/S (est. 1928) and formed it into a wholly owned affiliate of UL Inc. UL has since been represented in Europe via its own

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<sup>&</sup>lt;sup>1</sup> ANS is a designation conferred by the American National Standards Institute (ANSI) upon standards submitted by ANSI-accredited Standards Development Organizations (SDO). The ANS designation is awarded after the opportunity for public review and comment, and a certification by the SDO that due process was followed in the development of the standard.

facilities, and has grown to include operations in the United Kingdom, Italy, Sweden, Germany, France, Spain, Switzerland, Poland, and the Czech Republic.

# Seeking Increased Collaboration with China...

Though well versed in providing testing and certification services in China and Europe for decades, UL's engagement on standards development issues largely has been the most extensive at the international level – in the International Electrotechnical Commission (IEC) and the International Organization for Standardization (ISO). The level of engagement at the national and regional level through our affiliates is poised to increase. As UL's customers manufacture more products in China, they are seeking to incorporate the traditional elements of US requirements in (or influence the direction of) Chinese and EU member states' standards.

### China Collaboration – Present:

UL's active collaboration with China on standards development has been most evident in the fire protection and signaling (e.g. fire alarms) arenas. Discussions have intensified over the past 18 months, in part because of UL's engagement with Chinese regulators through the National Institute of Standards and Technology (NIST)'s Standards in Trade workshops and the US Department of Commerce-sponsored US-China Standards and Conformity Assessment workshops. UL perceives China's interest in collaboration as stemming from a desire to improve safety in the built environment, particularly as China ramps up for the 2008 Olympics, as well as enhancing the competitiveness of Chinese manufacturers' products around the world.

#### China Collaboration – Future:

In recent years, China has demonstrated a commendable interest in enhancing its participation in international standards development and in upgrading its standards system to comply with WTO obligations, among other things. The American National Standards Institute (ANSI)'s testimony speaks to China's recently concluded assessment of its national standards system. Among the strategic tasks presented were China's wish to "improve the market adaptability and competitiveness of Chinese technical standards," as well as "develop independently self-proprietary technical standards through effective measures, so as to improve international competitiveness of China's technical standards and therefore increase the international market share of Chinese products." With China setting a 2010 deadline for overhauling its technical standards system, the time certainly is ripe for increased US-China collaboration, with the impact extending to the international stage (ISO and IEC).

China has shown some interest in adopting UL Standards for Safety. The National Electrical Manufacturers Association (NEMA) has suggested that China consider adopting the tri-national (United States, Mexico, and Canada) fuse and fuse-holder standards. These talks very much remain in the preliminary stages, however.

UL also is considering the possibility of seeking observer status on select PRC standards technical panels, with the aim of encouraging the adoption of tried and true US requirements as appropriate. This collaboration would serve not only to enhance market access for US products designed around and certified to comply with such US requirements, but also to forge a partnership that will transfer to international standards development and harmonization efforts. UL may also actively seek to engage Chinese experts for participation in UL's own standards development processes.

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New technologies also pose an opportunity for collaboration with China, including radio frequency identification (RFID) and renewable energy.

# ... And Looking for Solutions to US-EU Tensions on the International Stage

The development of standards and technical regulations in Europe occur at two levels – the individual member-state level, and the European Commission level. At the regional level, there are voluntary "European Norms (ENs)" and New Approach "directives" that set essential requirements for regulated products. UL has engaged somewhat in the development of European Norms (EN), but has been more actively involved with Europe in standards development at the international level.

UL has been an active participant in IEC and ISO standards development and harmonization activities for decades. In addition to participating in numerous IEC and ISO Technical Committees and related US Technical Advisory Groups (TAGs), UL also adopts international standards (such as IEC and ISO) with National Differences (only when needed) to co-exist with current UL requirements and unique safety needs in the United States based on its infrastructure and traditional expectations. If necessary, existing UL Standards for Safety can be co-maintained with the internationally harmonized standard for a limited time frame for those manufacturers only marketing products in North America. UL also promotes international harmonization by encouraging adoption of basic North American safety principles in standards developed by international standards bodies to reduce the need for National Differences in UL and ANSI/UL Standards.

UL believes that some progress has been made to incorporate US-based requirements in the development of new international standards or with harmonization of existing standards. However, there is room for improvement, particularly as the United States utilizes more IEC-based standards. Some sectors within the United States believe that the IEC process is a violation of the World Trade Organization's Technical Barriers to Trade (TBT) Agreement because it results in requirements that are most favorable only to Europe. The European Union's well-financed and coordinated technical assistance program for developing countries serves only to further disadvantage US interests. The degree to which different sectors are adversely affected varies, but some sectors are particularly frustrated with the IEC process and the difficulty in incorporating US infrastructure and climatic essential differences in requirements (EDRs)<sup>2</sup> into IEC standards to make them truly more global. At this time, these sectors are committed to working within the IEC to affect the needed changes.

#### Recognizing the Merits of the US Standards System...

The United States relies heavily on the private sector for voluntary standards development. Under the auspices of the 1996 National Technology Transfer and Advancement Act (NTTAA), US government agencies are encouraged to rely on voluntary consensus standards (VCS) whenever applicable and appropriate. While our government generally has not driven the standards development process, it has been an active participant and partner. Federal, state, and local governments develop and issue procurement specifications and mandatory codes, rules, and regulations. Openness, balance, consensus, and due process are the fundamental principles of the American National Standards process.

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<sup>&</sup>lt;sup>2</sup> Criteria for Essential Differences in Requirements include needs of major segment of the global market; differences in technical infrastructure – frequencies, voltages, currents, earthing systems, and differences in climatic conditions

The US system, although decentralized, effectively serves the needs of all stakeholders. It promotes comprehensive expertise by encouraging participation of all public and private technical experts. Stakeholders' needs are reflected because the process is open to all interested parties, from manufacturers, users/consumers, the government, utilities, material suppliers, regulatory agencies, educators, code organizations, and any other interested party. The process produces a "balanced" standard because all stakeholders are able to participate; the standards users' interests are protected while at the same time meeting needs of industry that the standard will affect. Standards are based on market-driven needs, not mandate. From time to time, issues and redundancies emerge as a result of the decentralized system, but careful coordination among interested parties works to rectify that. In UL's opinion, this openness is unique. How many other countries around the world invest their time and resources to get all the interested parties at the table to consider health and safety requirements?

Many US standards are international in scope and application and currently are accepted in other countries. In some cases, however, a number of developing countries have adopted a policy of accepting only IEC/ISO standards. This is increasingly an issue in China, parts of Latin America, and Southeast Asia. EU enlargement presents related issues. The end result, if left unchecked, could lead to lost market share for some US exports that comply with valid and internationally accepted US standards and that are certified under reputable US programs.

# ... and Promoting Standards Harmonization Internationally

UL has long recognized the need for increased harmonization with IEC standards and has recently adopted a more aggressive policy toward standards harmonization. US manufacturers are realizing that the "world is their oyster" for their innovative and creative products. UL's harmonization priorities are largely driven by what industry perceives as priority areas for harmonization. When harmonizing UL's standards at the regional or international level, however, it is paramount that essential US safety principles are protected, even if this means developing National Differences. National Differences are not unique to the United States. In international standards meetings, however, the United States is singled out whereas in many European and Asian countries, the National Differences are undeclared and out-of-country testing is not permitted. In such cases, the United States is not the barrier to trade. The barrier is the country to which US manufacturers desire to exports their products. On the other hand, UL makes every effort to avoid mutually exclusive requirements when National Differences are necessary.

UL's approach to standards harmonization incorporates several guiding principles:

- Ensure that the harmonized standards preserve, at a minimum, the current level of safety expected by the US public,
- Coordinate and collaborate with other SDOs to avoid duplicate documents or requirements,
- Consider the merit(s) of harmonizing existing standards, whether by acceptance of IEC requirements or by advocating a UL standard or its essential requirements as the basis of the harmonized standard, and
- Develop "globally" relevant standards in areas where standards do not exist.<sup>3</sup>

<sup>&</sup>lt;sup>3</sup> Globally relevant standards: ISO defines global relevance as "the required characteristic of an International Standard that it can be used/implemented as broadly as possible by affected industries and other stakeholders in markets around the world." Globally relevant standards therefore effectively respond to regulatory and market needs (in the global marketplace); respond to scientific and technical developments in various countries; do not distort

The result of this approach is that standards differences are minimized, standards are streamlined, a more international approach to standards development (consistent with WTO TBT principles) is promoted, and unique locally developed standards without justification are discouraged.

As ISO and IEC standards gain greater use and acceptance globally, it is critical that all affected US private and public organizations participate in these forums to ensure that US safety principles are reflected and that US products and technologies are not excluded. Enhancing relations and promoting cooperation with like-minded countries in these international forums is critical to promoting US interests.

# **The Standards-Conformity Assessment Nexus:**

Many national, regional and international standards and conformity assessment systems around the world all share a common goal of minimizing the hazards associated with and ensuring the interoperability of products in the marketplace. But the standards and conformity assessment systems currently operating often times are not harmonized. Contrast this with trade liberalization opening markets and prompting manufacturers to globalize their production processes and supplier networks to remain competitive. With roughly 80 percent of the global trade (of the \$7.3 trillion in 2003) affected by standards and related technical regulations for conformity assessment, the potential economic impact of meeting requirements in multiple markets is staggering.

Manufacturers must demonstrate that their products comply with requirements through domestic conformity assessment processes, where applicable, to sell products in those markets. In many cases, certification by an independent third party is required, but the local governments often preclude non-domestic entities from providing those services. This impedes a manufacturer's ability to streamline the number of testing and certification organizations it engages (on global basis) to obtain the necessary certification marks, and ultimately increases costs associated with compliance – from the number of internal staff required to oversee the different compliance processes to actual dollars expended for testing. It also impedes US testing and certification organizations' ability to provide global compliance solutions for their customers.

UL believes that national treatment for conformity assessment organizations is the most effective approach to eliminating many trade barriers that emerge from technical regulations and standards. National treatment enables conformity assessment bodies in one country to provide testing and certification to another country's requirements by being recognized or accredited through the same process applied to domestic bodies. Different standards and technical requirements can result in multiple testing and certification requirements for manufacturers seeking to sell products into multiple markets. But national treatment across markets would enable UL and other conformity assessment organizations to provide customers with a seamless certification program where services are bundled and streamlined to facilitate timely, simultaneous, and effective market access for manufacturers.

markets; have no adverse effects on fair competition; do not stifle innovation and technological development; do not give preference to characteristics or requirements of specific countries or regions when different needs or interests exist in other countries or regions; and should be performance based rather than design prescriptive.

From time to time, governments have turned to government-to-government Mutual Recognition Agreements (MRAs) to address the issue of market access for US conformity assessment bodies. With a few exceptions like the APEC telecom MRA, MRAs have created unnecessary bureaucracies, have proven very difficult to implement, and have reduced attention on national treatment as the preferred conformity assessment solution. Negotiations for the US-EU MRA lasted more than six years, with only two of six sectoral annexes operational, and at least one annex suspended. For all of this effort, only a handful of products have utilized the MRA. Implementation of the medical device MRA remains troublesome, as the European Union has yet to approve the US organizations designated by the US Food and Drug Administration (FDA). FDA, in contrast, approved the EU designated counterparts several years ago and they are already competing for business in the United States.

# Where National Treatment Has Gone Right...

In some countries, like Japan, the government has introduced regulatory reforms that permit non-domestic entities to seek accreditation and provide domestic testing and certification services. We would like to see more countries introduce similar regulatory reforms.

The North American Free Trade Agreement (NAFTA) introduced national treatment for testing and certification bodies. Shortly after its introduction manufacturers began working with a single certifier, having their product tested once and accepted in both Canada and the United States. Required factory audits for certification have been combined into a single system thereby lowering the cost of compliance for products sold in Canada and the United States. Certifiers accredited under both the Canadian and US systems compete for manufacturers' business. This competitive environment has led to increased efficiency and value in testing and certification programs. Because national level systems for accreditation of testing and certification continue in force, the high level of safety and national acceptance for products in both markets has been maintained.

#### ... And Where Problems Remain

Under NAFTAA, the Mexican government committed to market access/national treatment for testing and certification organizations domiciled in the United States and Canada. Even after the four-year transition period ended (in 1998), Mexico has failed to implement directly its commitments. In January 2005, Mexican authorities finally issued the document that permitted organizations to apply for accreditation. The application documentation requirements present a challenge, however, and no entity, including UL, has yet been able to submit an application. UL has been working both with Mexican authorities and through the auspices of the Office of the US Trade Representative (USTR) and the US Department of Commerce (DOC) to resolve matters, and is hopeful that a resolution will soon be found.

UL has been able to facilitate customers' product certification applications for China's CCC mark through its "agent" status. This means making sure that all necessary documentation is in compliance with the CCC mark certification requirements. However, UL's joint venture cannot perform related tests or authorize the use of the CCC mark; the government currently restricts such activities to domestic entities. Ultimately, UL-CCIC would like to be accredited to provide testing and certification services for the CCC mark.

China's WTO accession commitments obligated them to provide National Treatment to non-domestic testing and conformity assessment organizations. Paragraphs 194 and 195 of the Working Party Report (WPR) reference these market access obligations for conformity

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assessment organizations. However, unlike the services schedule that outlines a timeline for testing services, the WPR does not outline a specific timeline for implementing market access for conformity assessment organizations. Regulations introduced in 2003 and early 2004 appeared to address testing and conformity assessment obligations in the Commodity Inspection and Appraisal Institution Regulations (Order No 58, effective January 2004) and PRC Regulations on Certification and Accreditation (effective November 2003). However, when pressed for clarification by USTR in January 2004, PRC authorities indicated that the scope of work did not include testing and certification for the CCC mark.

China has made commendable strides in bringing its product certification system into compliance with WTO requirements and participates in international schemes, including the CB scheme for safety testing. In some cases, however, China has opted not to participate in international schemes to which most all other trading partners belong. One such example relates to electromagnetic compatibility (EMC) testing. China opted out of the scheme for EMC, requiring in-country testing instead of accepting reports generated by other participating members. Manufacturers in general perceive this practice as creating unnecessary and duplicative testing requirements.

In Europe, UL continues to face market access issues under the New Approach, which inherently lacks national treatment for conformity assessment organizations. Under the New Approach, Member States are responsible for the notification of Notified Bodies and may only notify bodies within their territory. Therefore, US conformity assessment organizations cannot provide cross-border conformity assessment services in the European system. A soil-based presence is required.

#### What Can Be Done?

Advancing the standards and conformity assessment interests of US stakeholders will require a stronger public-private partnership. For its part, the private sector – working through the auspices of ANSI and with input from US government stakeholders – is making a concerted effort to develop a meaningful US Standards Strategy (USSS) that "can be used by all interested parties to further advance trade issues in the global marketplace, enhance consumer health and safety, meet stakeholder needs and, as appropriate, advance US viewpoints in the regional and international arena." As the ANSI testimony notes, a "key aspect of the Strategy is reference to the requirements of the WTO's Technical Barriers to Trade as related to standards practices." The following are some priority considerations that fall within the twelve broad USSS initiatives:

<sup>&</sup>lt;sup>4</sup> The IECEE CB Scheme is the world's first truly international system for acceptance of test certificates and test reports dealing with the safety of electrical and electronic products. It is a multilateral agreement among over 43 participating countries and their associated member certification organizations. A manufacturer utilizing a CB Test Certificate and CB Test Report issued by one of these organizations can obtain national product certification from other participating member organizations without the need for re-testing. UL is an active member in the CB Scheme with participating certification bodies in Canada, Denmark, Japan and the United States. The CB Scheme applies IEC based standards in 18 categories of electrical and electonic products from office equipment and electronics to household and similar equipment to installation assessories. The CB Scheme includes safety testing, EMC testing and performance testing. It has recently expanded into photovoltaics.

<sup>&</sup>lt;sup>5</sup> The New Approach consists of more than 25 directives that specify safety, health and environmental "essential requirements." European harmonized standards, developed by the European standards organizations, provide the technical answer to addressing these requirements. Technical, the use of New Approach harmonized standards is voluntary, but companies using other standards must prove how they are equivalent to the EU standards.

<sup>&</sup>lt;sup>6</sup> United States Standards Strategy Notice of Public Review and Comment, issued March 7, 2005. Copy of the draft is available online at www.ansi.org/usss.

- US stakeholders should take the lead in submitting standards development proposals and requesting recognition of US documents at the international level in such emerging national priority areas as homeland security and nanotechnology. Radio Frequency Identification (RFID) is another such area where the impact of standards on trade is potentially staggering.
- Government and private sector stakeholders alike should work toward enhanced protection
  of intellectual property rights (IPR) of standards development organizations, especially in
  countries like China where general enforcement of IPR has been uneven.
- US stakeholders should work to ensure that trade partners comply with WTO principles of openness, transparency, and advance notice.

UL proposes that the US government consider initiatives that focus on negotiating new commitments in trade agreements, incorporating standards and conformity assessment technical assistance elements into all future US-negotiated bilateral free trade agreements (FTAs), ensuring trade partners' compliance with obligations under existing trade agreements, linking standards and conformity assessment to broader dialogues with trade partners, adequately funding the office of the Standards Liaison within the US Department of Commerce, and increasing funding for existing government standards programs from which the private sector derives important benefits.

### Negotiating New Commitments in Trade Agreements:

UL and other US-based testing and certification organizations seek recognition from US trade negotiators as a viable business sector whose services can help enhance market access for US exports. We welcome a partnership with the Office of the US Trade Representative (USTR) and other US government agencies to define and refine relevant provisions in FTAs and future WTO negotiating rounds. To that end, USTR has recently engaged the testing and certification community in negotiating such commitments for the WTO Doha Round.

Within the WTO Doha negotiations and US-negotiated bilateral/regional FTAs, US testing and certification organizations seek commitments from US trade partners – whether through enhancements to the current Technical Barriers to Trade Agreement or the market access for services schedule – to permit non-domestic testing and certification providers to apply for accreditation to offer domestic certification marks. Those applications would be conducted in accordance with domestic accreditation requirements.

# <u>Providing Technical Assistance in US-Negotiated FTAs</u>:

UL recommends that technical assistance provisions for standards and conformity assessment systems be incorporated into all FTAs that the United States negotiates moving forward and that Congress appropriates adequate funding for execution of the technical assistance programs. Such technical assistance provisions in the Central American Free Trade Agreement (CAFTA) proved helpful in educating CAFTA countries about the US standards and conformity assessment system. We would expect this education to influence CAFTA countries to establish and refine their own systems in a way that (ideally) aligns with the United States, or at a minimum, refrains from introducing elements that unduly restrict market access for US exporters.

#### Enforcing Existing Trade Agreement Commitments:

For Mexico, we ask that the United States incorporate a regulatory dialogue into the recently announced Security and Prosperity Partnership agenda (under the Manufactured Goods Working Group) and specifically address increased access for non-domestic testing and certification organizations.

For China, we seek increased dialogue under both the WTO accession Transitional Review Mechanism and the Joint Commission on Commerce and Trade to develop a timeline for implementation of national treatment commitments referenced in Paragraphs 194 and 195 of China's Working Party Report.

For Europe, we seek increased US government pressure on the Europe Union to implement fully its obligations under the EU-US MRA for medical devices by approving the US FDA-designated entities, including UL.

### Incorporating Standards and Conformity Assessment Issues in Dialogues:

One of the key recommendations to emerge from the DOC Standards Initiative focused on enhanced dialogues with foreign governments. A more active standards dialogue between and among countries and regions could help prevent standards from becoming trade barriers. To that end, UL welcomes the inclusion of standards and conformity assessment issues as a mainstay component of such bilateral and regional dialogues as the Security and Prosperity Partnership of North America, EU-US Regulatory Dialogue, the Transatlantic Business Dialogue, and the US-China Joint Commission on Commerce and Trade. Such dialogues provide a meaningful forum to address emerging concerns as well as identify areas of mutual interest where collaboration is ripe.

With respect to the IEC process and related issues, UL believes that the United States should work first to identify solutions, to the maximum extent possible, within the international standards development processes. There are several initiatives underway within the standards community that allow for the exchange of ideas and the introduction of change. Within the IEC these initiatives are carried out through the United States National Committee to the IEC. Only if these mechanisms fail to achieve resolutions should the United States consider raising IEC-related issues in government-to-government dialogues.

#### Funding the DOC Standards Liaison Office:

The office of the DOC Standards Liaison has done a commendable job of improving coordination across departments within DOC in a very short time. Collaborating with other DOC colleagues has also enabled pilot training programs for US government officials on standards and conformity assessment issues as they affect trade. Such training is paramount as the intersection between standards and trade is increasing.

But a lot of work remains undone, and UL would like to see more meaningful funding for execution of the Standards Liaison's mandate. The pilot training programs indeed are commendable, but a more comprehensive and regular program is needed to ensure that the ever evolving and rotating cadre of US trade officials become proficient in standards and trade issues.

Careful consideration should also be given to funding of additional Standards Attaches in overseas posts. Such attaches have played pivotal roles in facilitating resolution of standards and conformity assessment issues faced by manufacturers and conformity assessment

providers alike. Their ability to track trends and report on them makes it easier for industry to uncover signs of emerging problems and to address them earlier rather than later.

# Increasing Funding for Existing Government Standards Programs:

- NIST Standards in Trade (SIT) Workshops: UL has been a longstanding active participant in the NIST SIT workshops. These workshops prove a valuable venue through which interested US private sector organizations can educate foreign government officials on the US standards and certification system and build bridges for future cooperation. These broad and specific programs are especially important when they target countries/regions in which systems/structures currently do not exist or are in their infancy, and in which there is a perceived receptivity to US principles and practices. We believe that the impact of these workshops could be strengthened through increased funding that would enable NIST to continue offering new programs while providing a mechanism to sustain momentum of previous programs.
- <u>Commercial Law and Development Program (CLDP)</u>: Funding for standards and conformity
  assessment related programs under the auspices of the CLDP program are also valued.
  Having participated in a number of these programs over the years, UL believes that these
  programs also help advance US commercial and public safety interests over the long term.
  Sustained funding is warranted.

# **Preserving Safety and Facilitating Trade**

In the end, globalization will place pressure on standards and conformity assessment systems to streamline and harmonize. The merits of such harmonization are real, but doing so needs to be executed in a manner that does not sacrifice the high level of product safety enjoyed in the United States today.

Standards should continue to be driven by market needs and developed through open processes. At the international level, US stakeholders need to find ways to inject greater balance into the IEC process, working through its technical committees and governance bodies.

Encouraging trading partners to provide national treatment to US-domiciled testing and certification organizations helps US manufacturers reduce costs of compliance by minimizing duplicative testing requirements and enables a global approach to conformance. Reduction of manufacturers' costs will help US exporters remain competitive abroad and address some pressure points that drive US companies to shift production overseas.

In all of these areas, the US government has a real and meaningful role to play. UL and other private sector stakeholders look forward to working with all divisions of the US government to advance US interests and minimize the adverse impact of standards, technical regulations, and conformity assessment processes on trade.